Changes to Vermont's UI Statute That Influenced Solvency

1983 Act 16 increased the Taxable Wage Base from $6000 to $8000. It also set the maximum benefit at $146 per week until all loans were repaid. Once loans were repaid the legislation required the maximum benefit to increase at the same rate as wages.

1984 Act 124 created new tax tables more responsive to trust fund balance changes and increased tax rates. It reduced the number of tax schedules from ten to five.

1987 Act 51 set the new employer tax rate as the average for the industry or 1% whichever was higher.

Act 100 lowered the interest rate on delinquent taxes from 2.5% per month to 1.5% per month.

1988 Act 135 created the Short Time Compensation (STC) program that allows employers to submit plans allowing workers to share a lay off and get a proportional benefit.

1991 Act 62 substituted an earnings disregard of the higher of $40 or 30% of the weekly benefit amount for the dependence allowance.

1994 Act 173 regulated employee leasing companies and required that they report so that any unemployment benefits would accurately apply to the client companies experience rating account.

Act 177 prohibited employers from obtaining a license from the state if they were not current with their UI taxes.

Act 96 extended the time the department could pursue overpaid benefits and delinquent taxes from 3 years to 5 years.

1998 Act 101 increased the maximum weekly benefit to $265. It also allowed employers to determine whether or not severance payments would postpone the collection of benefits.

2000 Act 127 mandated that holiday pay received during a spell of unemployment would have no impact upon benefit payments for that week. Later the legislature modified this to provide that if the holiday was the only day not working the individual is not unemployed and not eligible for benefits. It also repealed the "waiting week", the first week of a claim where the claimant met all eligibility requirement but did not receive a payment.

2002 Act 143 increased the maximum weekly benefit from $312 to $351. In addition, it provided each claimant with an additional $18 per weeks (up to a total of $6 million.) It also provided employers with a tax credit equal to the scheduled tax increase for that year.

2004 Act 131 reduced the tax rate of new employers to 1% except for out-of-state construction companies who pay the average rate for their industry. A “new employer” is one with less than one calendar year of ui tax liability in Vermont.

2005 Act 41 made it difficult for a business to shed a bad experience by creating a new business and transferring employees and assets to that new business. The amendment required the experience to follow the workers and created penalties for intentional efforts to dump the experience.

2009 H. 442 increased the taxable wage base from $8000 to $10,000 beginning January 2010 and froze the maximum benefit weekly benefit at $425 for the current fiscal year.